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CLAUDE W. EDWARDS
DAVID M. PARK
WILLIS J. WINN
A. E. GILFILLAN

Acme Markers, Inc. Annual Report For the Fiscal Year 1965
Ended April 3,

OFFICERS

PAUL J. CUPP, *Chairman, Board of Directors, and President*
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JAMES K. ROBINSON, Jr., *Vice President*
A. J. FAULHABER, *Vice President*
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A. E. GILFILLAN, *Vice President and Assistant Secretary*
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DAVID M. PARK, *Treasurer*
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ELLEN M. CAMPBELL, *Assistant Treasurer*
ROWLAND G. WEBER, *Assistant Secretary*

GENERAL OFFICES

124 North 15th Street • Philadelphia, Pa. 19102

TRANSFER AGENTS

The First Pennsylvania Banking and Trust Company • Philadelphia, Pa.
Bankers Trust Company • New York, N. Y.

REGISTRARS

Fidelity-Philadelphia Trust Company • Philadelphia, Pa.
First National City Bank • New York, N. Y.

STOCK EXCHANGES

New York Stock Exchange
Philadelphia-Baltimore-Washington Stock Exchange

• ANNUAL MEETING

*The annual meeting of the shareholders
will be held at the General Offices
on Wednesday, June 23, 1965 at 3:00 P.M. EDST.*

A new sales record was achieved in the 53 weeks ended April 3, 1965, totaling \$1,161,198,000. This represented a gain over the preceding 52 weeks of \$42,512,000, despite the costly industry stoppage in the Baltimore area and two brief industry interruptions in Southern California.

Earnings showed a decline, however, and are reported at \$4.81 per share on 2,680,992 shares outstanding, compared to \$5.00 per share adjusted for the last stock dividend. The unavoidable labor problems had a depressing effect, offset in part by the reduction in corporate tax rates, and a change in treatment of the investment credit, the latter amounting to 22¢ per share.

While a strike recovery in our business is sometimes slow and costly, I am glad to report that sales are now running impressively ahead. April was 8.9% ahead of a year earlier, the May trend continues strong, and all signs point to a year of marked progress. With acceleration in new store openings and more vigorous sales development, we expect a significant yearly gain.

The acquisition last September 23rd of Rea & Derick, Inc. has worked out as anticipated, and we expect a steady and profitable growth of this new subsidiary. Presently 47 drug stores are in operation, and in certain future locations new units will be neighbors to new Acme Markets.

The construction of new and enlarged distribution facilities in Philadelphia for frozen food, fresh fruits and vegetables, general merchandise and certain processed foods is nearing completion, and these facilities will go into operation within the next several months. In addition, a modern dairy plant for Alpha Beta at La Habra, California, is in the planning stage, to commence operations in the first half of next year.

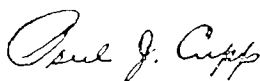
Through the National Association of Food Chains your management is cooperating fully with the National Commission on Food Marketing as it studies the factors which have given us the finest food supply of any nation. A final report is not expected before mid-1966. We believe the findings will be a positive endorsement of the superior benefits of our competitive free enterprise system which delivers the greatest good to the greatest number. It is a significant fact that the American people spend slightly less than 19% of their disposable personal income for the most nutritious, varied and convenient food supply, a benefit unparalleled elsewhere in the world, or at any time in recorded history.

At the Annual Meeting held in June 1964, Dr. Willis J. Winn, Dean of the Wharton School of Finance and Commerce and a Vice Provost of the University of Pennsylvania, and Mr. A. E. Gilfillan, a vice president of the Company, were elected directors for the first time. Following the Annual Meeting all of the officers were reelected and in addition Mrs. Ellen M. Campbell was elected assistant treasurer and Mr. Rowland G. Weber was elected an assistant secretary of the Company.

We regret to report the death of Mr. Fred J. Heaney on February 6, 1965. Mr. Heaney was an employee of the Company for over 50 years prior to his retirement as a vice president in 1956. He continued to serve as a director until this past June. He will be deeply missed by those who were privileged to know and work with him.

Presently we have 1,839 people with 25 or more years of continuous service, not including 564 living retirees, which in the light of our rapid rate of growth since World War II is evidence of the stability of our organization. To them and the others in our business family, and to all associated in any way with our Company, goes the sincere appreciation of your management.

Respectfully submitted,



Chairman, Board of Directors and President

Philadelphia, Pa.
May 25, 1965

ALL DOLLAR AMOUNTS ARE EXPRESSED IN THOUSANDS, EXCEPT PER SHARE AND PER SALES DOLLAR FIGURES

52 WEEKS ENDED	April 3, 1965(a)	March 28, 1964	March 30, 1963	March 31, 1962	April 1, 1961	April 2, 1960(a)	March 28, 1959
Sales	\$1,161,198	1,118,686	1,081,061	1,034,879	1,011,489	982,103	953,410
Earnings before income taxes	24,314	28,120	27,091	28,230	27,543	22,467	25,324
Federal and State income taxes	11,430	14,530	14,030	14,900	14,870	11,710	13,291
Net earnings	12,884	13,590	13,061	13,330	12,673	10,757	12,033
Cash dividends	5,127	4,924	4,680	4,439	4,377	4,534	3,857
Earnings for year retained in business	7,757	8,666	8,381	8,891	8,296	6,223	8,176
Net earnings per sales dollar	1.11¢	1.21¢	1.21¢	1.29¢	1.25¢	1.10¢	1.26¢
Earnings per share of common stock (b)	4.81	5.00	4.82	4.93	4.71	4.02	4.52
Cash dividends per share of common stock (c) ...	1.90	1.81	1.72	1.64	1.59	1.61	1.41
Stock dividends	5%	5%	5%	5%	5%	5%	5%
Current assets	140,200	140,533	131,413	124,839	117,195	112,006	106,169
Current liabilities	63,901	62,268	56,396	56,683	51,614	49,283	42,958
Working capital	76,299	78,265	75,017	68,156	65,581	62,723	63,211
Current ratio	2.19	2.26	2.33	2.20	2.27	2.27	2.47
Plant and equipment additions	20,085	17,590	13,505	15,752	10,129	15,607	13,207
Provision for depreciation and amortization	11,834	10,843	10,464	9,694	9,032	8,768	8,203
Net plant and equipment	97,881	89,678	83,022	80,719	76,736	76,401	69,417
Total assets	240,461	232,968	217,327	209,064	196,069	190,855	178,996
Long-term debt, less current instalments	11,737	12,910	14,080	16,801	18,378	21,293	23,120
Common shares outstanding at year-end	2,680,992	2,588,208	2,459,730	2,334,129	2,214,849	2,097,369	1,995,080
Common stockholders' equity:							
Total	154,263	148,947	140,096	131,481	122,338	113,814	107,319
Per share (b)	57.54	54.81	51.66	48.66	45.44	42.52	40.28
Number of retail stores at year-end:							
Super markets	857	859	836	811	799	812	809
Other stores	72	24	26	34	41	50	65
Total stores	929	883	862	845	840	862	874

(a) 53 week period.

(b) Based on shares of stock outstanding at year-end, adjusted for subsequent stock dividends.

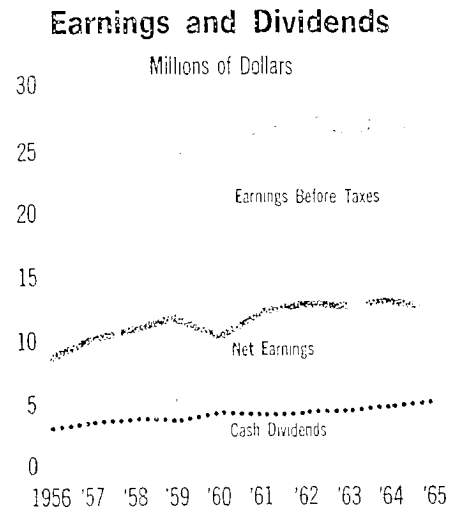
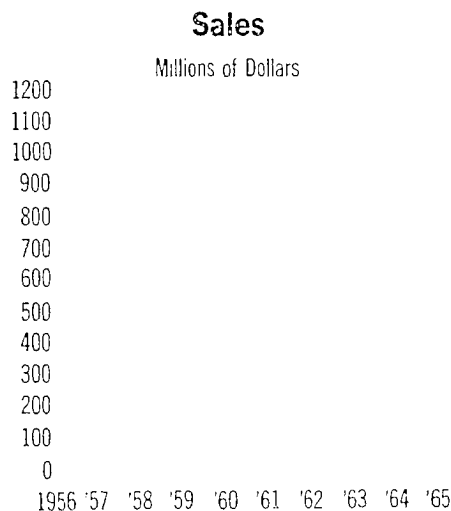
(c) Based on shares of stock outstanding at year-end, adjusted for subsequent stock dividends and including dividends paid by an acquired company prior to merger (which in fiscal 1960 included five quarterly dividends). In each of the ten years cash dividends were declared on shares of Acme Markets, Inc. common stock then outstanding at rate of \$2.00 per share.

The Year in Review

March 29, 1958	March 30, 1957	March 31, 1956
900,526	835,838	705,108
23,632	21,819	19,113
12,296	11,288	9,945
11,336	10,531	9,168
3,999	3,703	3,154
7,337	6,828	6,014
1.26¢	1.26¢	1.30¢
4.28	3.99	3.67
1.48	1.37	1.24
5%	5%	5%
191,572	92,740	82,717
43,779	40,850	34,719
57,793	51,890	47,998
2.32	2.27	2.38
10,311	12,254	9,289
7,095	6,490	5,539
66,041	61,865	55,020
171,387	156,626	138,891
23,422	21,722	22,429
1,897,050	1,807,332	1,631,084
98,897	91,279	79,189
37.31	34.55	31.68
818	794	764
75	140	219
893	934	983

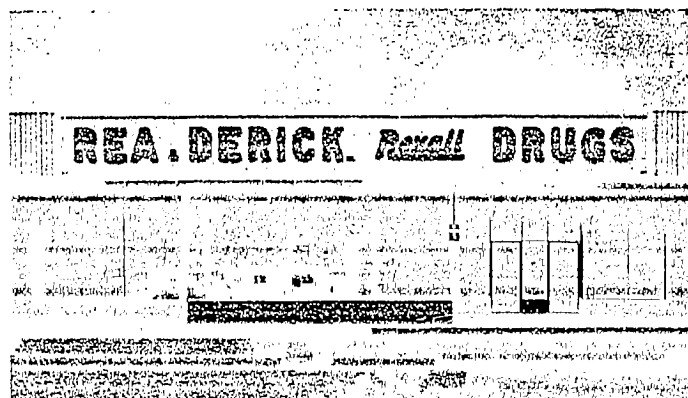
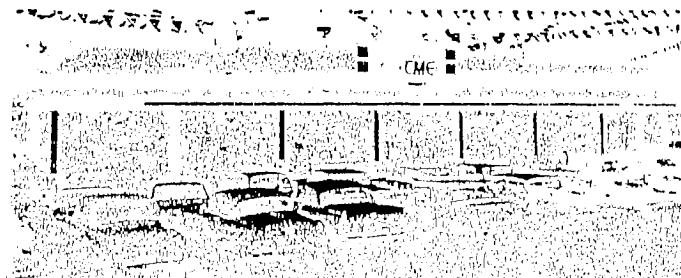
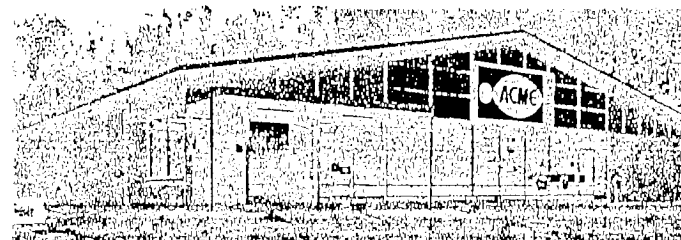
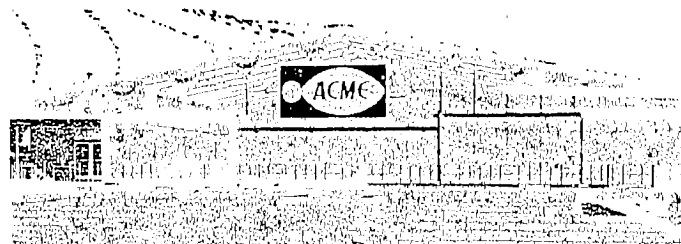
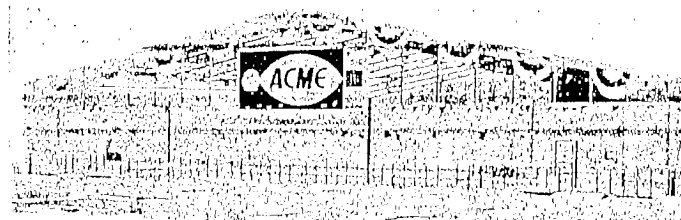
Sales Set Record Recovering from the effects of a strike in the Baltimore Division in the first quarter, sales moved ahead during the remainder of the year and finished with a gain of 3.8% over the previous year. Sales for the 53 weeks ended April 3, 1965 totalled \$1,161,198,293 compared with \$1,118,686,225 for the 52 weeks ended March 28, 1964. About \$9,400,000 of the increase was accounted for by the Rea & Derick, Inc. drug stores whose sales are included from September 23, 1964. Retail food prices again remained stable throughout the year, averaging less than 1% higher than in the prior year.

Strikes Affect Earnings The strike in Baltimore, plus two others in Southern California involving the Alpha Beta Division in September and October, had a more pronounced effect on net earnings than on sales. Earnings for the fiscal year declined to \$4.81 per share compared with \$5.00 the prior year, adjusted for the 5% stock dividend paid March 31, 1965. Net earnings after taxes were \$12,663,599 compared with \$13,589,764 the previous year. Net earnings were increased approximately \$600,000 as a result of a change in the treatment of the investment credit which for the current year has been taken directly into income as a reduction of provision for income taxes. Prior year credits continue to be amortized as in the past. The new treatment conforms with the practice generally followed in the food chain industry.

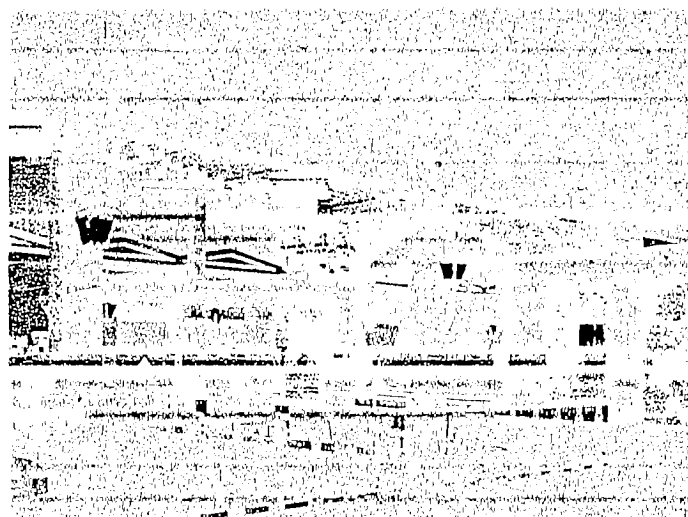




Several new Acme markets which were opened during the past year.

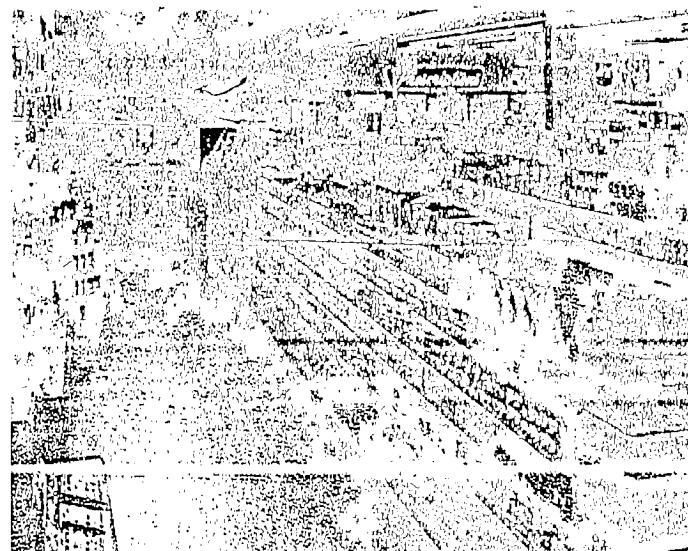


Shown above is the new Rea & Derick drug store in Carlisle, Pa.



Above: An interior view of the Carlisle, Pa., Rea & Derick store showing the attractive setting of the coffee shop. This store was opened on October 15, 1964.

Below: Another view of the same store showing the coffee shop and prescription department at the rear.



Cash Dividends Up Total cash dividends paid by the Company again increased and were \$5,126,854 compared with \$4,924,040 the previous year.

A 5% stock dividend was also paid on March 31, 1965. This was the twelfth consecutive 5% stock dividend paid by the Company and involved the issuance of 129,550 shares valued at \$8,550,300.

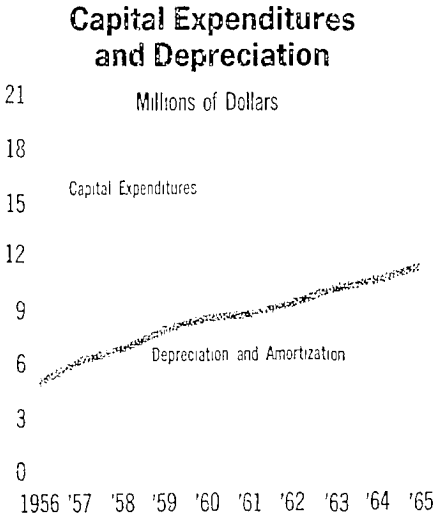
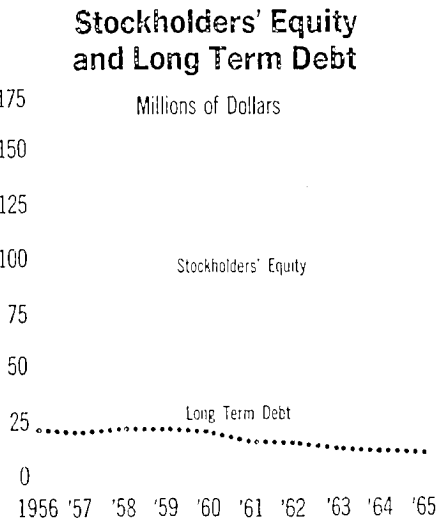
Financial Position Good Working capital declined to \$76,298,880 compared with \$78,265,630 the previous year. Three items which contributed to this, as is shown by the Source and Disposition of Funds Statement on the following page, were the acquisition of the common stock of Rea & Derick, Inc. for cash, the purchase of shares of the Company's outstanding stock which are currently held as treasury stock, and the record amount expended for plant and equipment.

Capital expenditures increased to \$20,085,000 compared with \$17,590,000 the previous year. The increase was principally due to the work done at the perishables and frozen foods distribution facilities in Philadelphia and also to the purchase of a large number of store sites which are currently in the process of being developed. During the past ten years capital expenditures have totalled \$137,729,000.

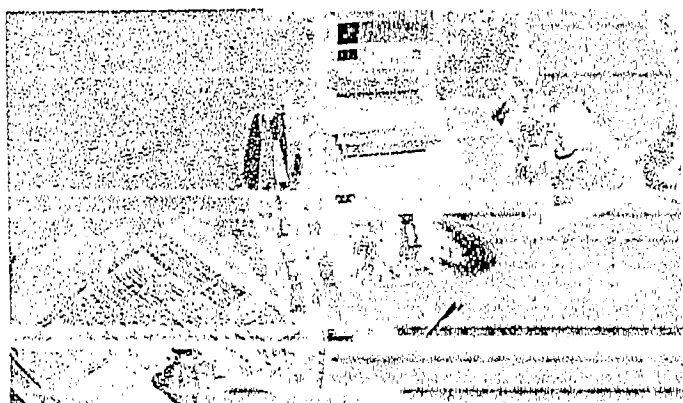
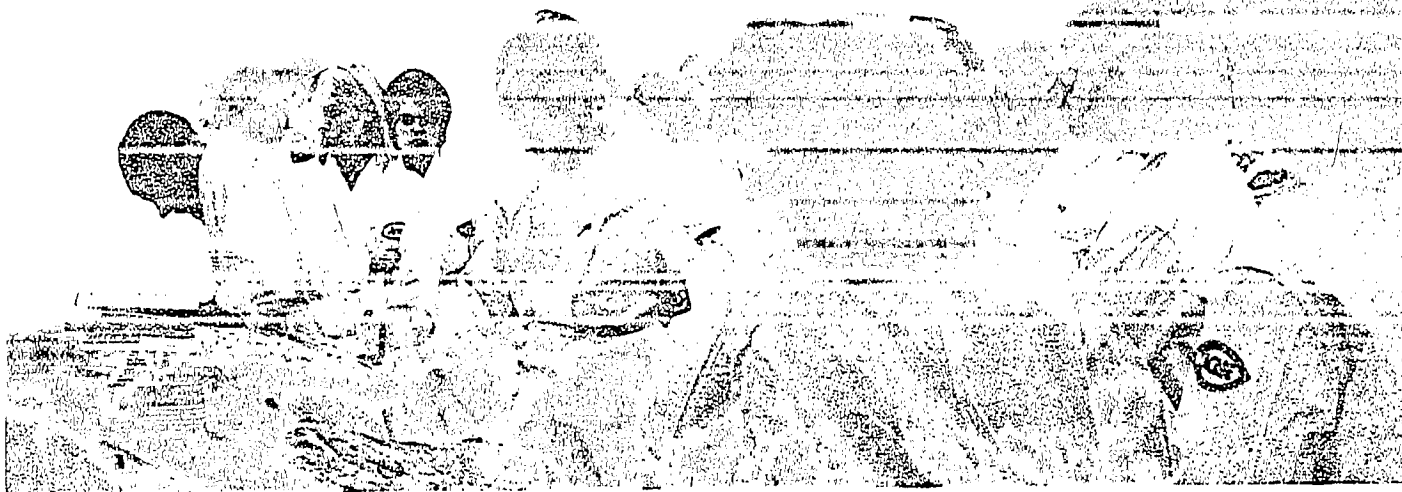
The ratio of current assets to current liabilities was 2.19 to 1 compared with 2.26 to 1 last year. Working capital continues to be adequate for the needs of the Company.

Long term debt was reduced by \$1,172,849 and at the year-end was \$11,736,899. This compares with \$23,702,000 ten years ago.

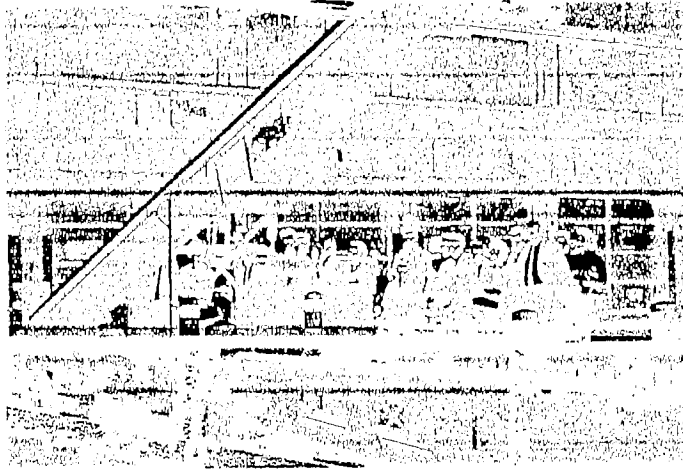
New Store Program During the year 26 new markets were opened, including 11 in the Alpha Beta Division, and a number of other stores were remodelled. The decline in new stores opened was due to a variety of reasons, the principal one relating to delays experienced on the part of developers in completing a number of shopping center locations. Plans for the current year call for about 50 new stores to be opened.



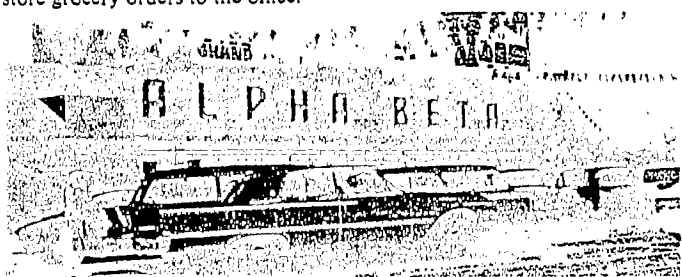
A group of High School students watching a meat cutting demonstration sponsored by the Company. The Company conducts a number of such demonstrations throughout the year.



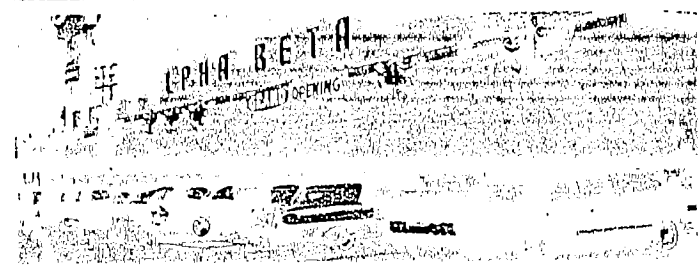
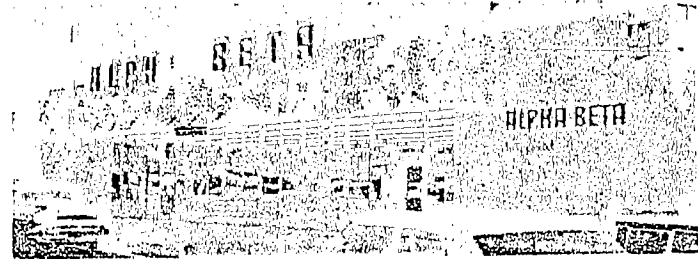
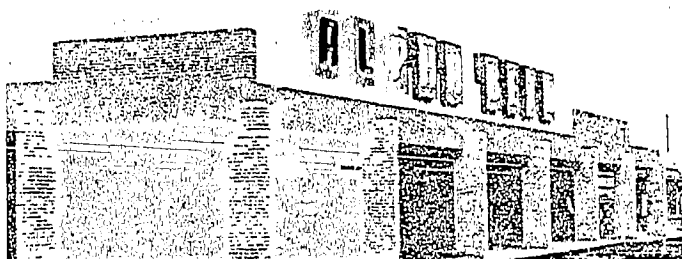
One of the new teletype machines being used experimentally to transmit store grocery orders to the office.



Above: One of the many groups on a conducted tour of the Alpha Beta warehouse and office facilities.



Below and left: Some views of several of the new Alpha Beta markets opened during the last fiscal year.



Rea & Derick, Inc. has opened one new drug store, located in Carlisle, Pa., since it was acquired by the Company. Plans call for the opening of three drug stores during the current year.

During the year 31 stores were closed including three of the small service-type food stores. As of the year-end the Company had 857 super markets in operation and 72 other stores, including 47 drug stores operated by Rea & Derick, Inc. and 4 Hy-Lo drug stores operated by the Alpha Beta Division.

Distribution Centers Work has progressed very well on the new perishables and frozen foods distribution facilities in Philadelphia which were mentioned in last year's report. It is expected that these facilities will go into operation shortly.

During the year construction was begun on the new general distribution center, also mentioned in last year's report. This warehouse, located on a 42 acre tract in the Philadelphia Food Distribution Center, should provide significant distribution economies to our stores in the East. It is anticipated that this warehouse will be put in operation sometime this Fall.

General At the year-end the Company provided employment for approximately 26,000 persons. The majority of these employees work in the stores, a great many on a part-time basis. The use of part-time help serves a necessary function in a retailing business where the stores are open many hours a week and where the flow of business throughout the week is very uneven. Part-time employment also provides valuable work experience for many young people while completing their education.

Source and Disposition of Funds

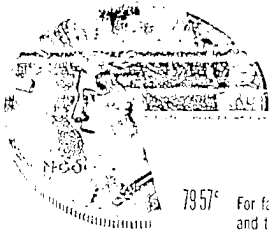
Fifty-three weeks ended April 3, 1965
and fifty-two weeks ended March 28, 1964

	1965	1964
	(in thousands)	
SOURCE:		
Net earnings	\$12,884	\$13,590
Charges against net earnings not involving the expenditure of funds:		
Depreciation and amortization	11,834	10,843
Deferred income taxes and investment credit	1,641	1,895
Total funds provided from operations	26,359	26,328
Proceeds from sales of common stock pursuant to exercise of options ...	110	185
Realization on disposal or liquidation of investments and other assets ...	1,711	136
Miscellaneous, net	814	154
	<u>\$28,994</u>	<u>\$26,803</u>
DISPOSITION:		
Expended for plant and equipment	\$20,085	\$17,590
Book value of plant and equipment of Rea & Derick, Inc. at date of acquisition	2,025	—
Repayment of long-term debt	1,173	1,171
Cash dividends	5,127	4,924
Purchase of common treasury stock	2,551	—
Increase (decrease) in working capital	(1,967)	3,118
	<u>\$28,994</u>	<u>\$26,803</u>

During the year the Company continued its various training programs all of which are designed to provide our employees with the skills to do a better job.

As part of the Company's continuing research into ways of providing better customer service it is currently experimenting with a new store ordering system. This system, using the new Bell Telephone 33 ASR Teletype machine, transmits the order over regular telephone lines directly to the Main Office data processing department. Here the orders are quickly processed and the merchandise is delivered to the store within twenty-four hours of the order being placed. This is considerably faster than the previous system and should provide better service by reducing the number of items which may be out of stock at any given time as well as enabling the manager to reduce the total inventory in his store.

Work is also well along on the implementation of the IMPACT inventory management system for control of grocery inventories in the Company's warehouses. Test results from this system indicate that it can provide substantial reductions in inventories required at the warehouse level as well as reducing out-of-stock problems through scientific control methods made possible by modern computer equipment. This is but one of the many ways in which computers will be used increasingly to enable the Company to provide better service to the public. Studies are under way to determine other areas where this modern management tool can be most effectively used to meet today's and tomorrow's needs.

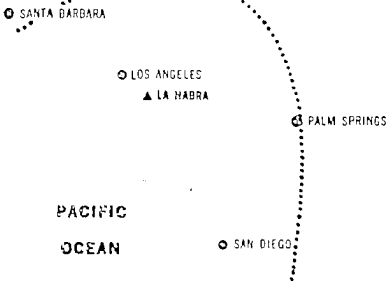


100.00%

.....Dotted lines indicate areas served on West and East coast

NEVADA

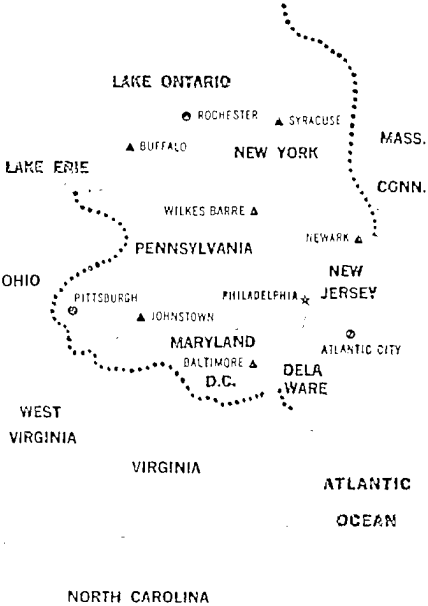
CALIFORNIA



PACIFIC OCEAN

★ PHILADELPHIA, PA. Main Office
▲ DIVISION OFFICES

	Number of Stores
Pennsylvania	355
New York	112
New Jersey	191
Delaware	28
Maryland	98
Virginia	16
West Virginia	5
District of Columbia	4
California	120
Total Stores	929



ACME MARKETS, INC. and Subsidiaries

Fifty-three weeks ended April 3, 1965 (with comparative figures for preceding period)

	FIFTY-THREE WEEKS ENDED APRIL 3,	FIFTY-TWO WEEKS ENDED MARCH 28,
CURRENT EARNINGS		
Sales	\$1,161,198,293	1,118,686,225
Cost of sales and operating expenses:		
Cost of merchandise sold, including warehousing and transportation expenses	924,654,622	891,842,387
Wages, rents, advertising, administrative and other operating expenses.....	200,307,298	188,421,659
Depreciation and amortization	11,834,037	10,843,263
	<u>1,136,795,957</u>	<u>1,091,107,309</u>
Operating profit	24,402,336	27,578,916
Other income (deductions):		
Non-operating income, net	317,623	991,027
Interest expense	(406,360)	(450,179)
Earnings before income taxes	24,313,599	28,119,764
Federal and State income taxes, estimated, including deferred amounts (note 3)	11,430,000	14,530,000
Net earnings	<u>\$ 12,883,599</u>	<u>13,589,764</u>
EARNINGS RETAINED FOR USE IN THE BUSINESS		
Balance at beginning of period	\$ 50,964,416	50,431,674
Net earnings for the period	<u>12,883,599</u>	<u>13,589,764</u>
	<u>63,848,015</u>	<u>64,021,438</u>
Deduct:		
Cash dividends—\$2 a share	5,126,854	4,924,040
Stock dividend—5%	8,550,300	8,132,982
	<u>13,677,154</u>	<u>13,057,022</u>
Balance at end of period	<u>\$ 50,170,861</u>	<u>50,964,416</u>

See accompanying notes to financial statements.

ACME MARKETS, INC.
and Subsidiaries

ASSETS

	APRIL 3,	MARCH 28,
	<hr/>	<hr/>
Current assets:		
Cash	\$ 36,957,789	37,563,725
Short-term marketable securities	999,656	4,948,333
Receivables	7,702,176	6,872,799
Inventories, at lower of cost or market	88,885,172	86,809,369
Prepaid expenses	5,253,453	4,082,109
Store properties covered by investors' commitments to purchase	402,021	257,049
Total current assets	<hr/> 140,200,267	<hr/> 140,533,384
Investments and other assets, at cost or less	2,379,457	2,756,691
Plant and equipment:		
Land	12,209,266	9,943,840
Buildings	47,372,890	42,537,397
Machinery, equipment and fixtures	88,679,234	82,920,473
Leasehold costs and improvements	16,574,078	14,964,647
Total plant and equipment, at cost	<hr/> 164,835,468	<hr/> 150,366,357
Less accumulated depreciation and amortization	66,954,197	60,688,839
	<hr/> 97,881,271	<hr/> 89,677,518
	<hr/> \$240,460,995	<hr/> 232,967,593
	<hr/>	<hr/>

See accompanying notes to financial statements.

LIABILITIES AND STOCKHOLDERS' EQUITY

	APRIL 3,	MARCH 28,
Current liabilities:		
Notes payable, long-term, instalments due within one year (note 2) ..	\$ 1,172,835	1,170,734
Accounts payable	42,767,181	39,755,074
Accrued expenses	14,811,780	14,542,801
Federal and State income taxes, estimated, less United States Treasury securities, \$1,976,044 (1964—\$1,977,444)	5,149,591	6,799,145
Total current liabilities	63,901,387	62,267,754
Notes payable, long-term, less instalments due within one year (note 2) ..	11,736,899	12,909,748
Deferred income taxes and investment credit (note 3)	9,978,000	8,300,000
Reserve for self insurance and unfunded retirement benefits	581,567	543,311
Stockholders' equity:		
Common stock of \$1 par value. Authorized 5,000,000 shares; issued 2,720,845 shares (1964—2,588,208 shares) (note 4)	2,720,845	2,588,208
Capital in excess of par value of common stock (note 5)	103,922,000	95,394,156
Earnings retained for use in the business, less amount capitalized through stock dividends (note 2)	50,170,861	50,964,416
	156,813,706	148,946,780
Less 39,853 shares common treasury stock, at cost	2,550,564	—
Total stockholders' equity	154,263,142	148,946,780
	<u>\$240,460,995</u>	<u>232,967,593</u>

April 3, 1965

(1) Rea & Derick Acquisition. On September 23, 1964 the company purchased for cash all of the outstanding common stock of Rea & Derick, Inc., a retail drug chain operating in central and northeast Pennsylvania, and its operations are included in consolidation from that date.

(2) Notes Payable, Long-term. A summary of long-term notes payable at April 3, 1965 is shown below:

	TOTAL	INSTALMENTS	
		DUE WITHIN ONE YEAR	LONG- TERM
2 7/8% note due			
August 1, 1967	\$ 3,787,500	\$ 337,500	\$ 3,450,000
3% notes due			
August 1, 1967	8,837,500	787,500	8,050,000
4 1/2% note due			
September 1, 1970..	284,734	47,835	236,899
	<u>\$12,909,734</u>	<u>\$1,172,835</u>	<u>\$11,736,899</u>

The 2 7/8% and 3% notes are payable in aggregate annual instalments of \$1,125,000 in 1965 and 1966 with the remainder of \$10,375,000 payable at maturity. The 4 1/2% note is payable in approximately equal annual amounts to maturity and is secured by deed of trust on certain real estate of a subsidiary.

Certain of the notes contain restrictions as to the payment of cash dividends and the reacquisition and retirement of shares of stock of the company, but retained earnings at April 3, 1965 were free of restriction.

(3) Deferred Income Taxes and Investment Credit.

Depreciation charged to earnings for financial statement purposes is generally computed using the straight-line method applied to individual property items; however, for income tax purposes depreciation claimed is substantially greater as it is computed by accelerated methods applied to composite groupings of assets. Provision has been made for deferred income taxes (\$1,786,400 in 1965 and \$1,378,749 in 1964) which will be payable when depreciation for financial statement purposes exceeds depreciation deductible for income tax purposes.

The income tax benefit for the year ended April 3, 1965 arising from the investment credit provisions of the Revenue Act has been taken directly into income as a reduction of provision for income taxes. The company has not changed its practice of deferment with respect to prior years' investment credits (approximately \$1,130,000 at April 3, 1965) and is continuing amortization of such credits over the estimated useful lives of the qualified assets. As a result of the change of account-

ing practice, net earnings for the current period were increased by approximately \$600,000.

(4) Stock Options. Under a stock option plan approved by the stockholders in 1952, there remained outstanding at April 3, 1965 options granted to 55 officers and employees to purchase 50,501 shares common stock at prices ranging from \$28.13 to \$72.68, such prices being 95% of market price on the respective dates of granting, adjusted for subsequent stock dividends. The options are exercisable on a cumulative basis over a period of 10 years or less from dates of granting. No further options will be granted under the 1952 plan.

In June 1964 the stockholders approved the "Acme Markets, Inc. Qualified Stock Option Plan" covering 105,000 shares common stock. Thereafter, the company granted options to 22 key management employees to purchase 10,080 shares common stock at \$64.89 or \$65.77, such prices being 100% of market price on the respective dates of granting. The options may not be exercised within one year from date of granting or after the expiration of five years. (The number of shares and share prices relating to the 1964 plan have been adjusted for the 1965 stock dividend.)

(5) Capital in Excess of Par Value of Common Stock. During the year this account was increased by the excess of:

Assigned value over par value of 129,550 shares common stock issued as a stock dividend	\$8,420,750
Sales proceeds over par value of 3,087 shares common stock sold to officers and employees pursuant to exercise of stock options	107,094
	<u>\$8,527,844</u>

(6) Commitments. The company and subsidiaries were lessees under 735 leases (including 67 leases for stores under construction) expiring more than three years after April 3, 1965. Such leases call for minimum annual rentals (excluding taxes, insurance and maintenance expenses where payable by the lessee) totaling \$18,135,000, of which about 76% relates to leases expiring within 15 years and the remainder relates to leases expiring in from 15 to 20 years. Most of the leases contain renewal options which give the company the right to extend the lease for varying additional periods, often at reduced rentals.

The company has a commitment to purchase, when completed, a warehouse property presently under construction for a total consideration of approximately \$5,500,000 in accordance with the terms of a 20-year Installment Sale Agreement. The agreement requires equal semi-annual payments applied first to interest (initially 2 7/8%) and the remainder to principal. The project is scheduled for completion late in 1965.

PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

1300 WALNUT STREET

PHILADELPHIA, PA. 19102

THE BOARD OF DIRECTORS

ACME MARKETS, INC.:

We have examined the consolidated balance sheet of Acme Markets, Inc. and subsidiaries as of April 3, 1965 and the related statement of earnings for the fifty-three weeks then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and statement of consolidated earnings present fairly the financial position of Acme Markets, Inc. and subsidiaries at April 3, 1965 and the results of their operations for the fifty-three weeks then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Peat, Marwick, Mitchell & Co.

Philadelphia, Pa.

May 14, 1965

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